PRINCE EDWARD ISLAND

REPORT OF THE COMMISSION APPOINTED PURSUANT TO THE LEGISLATIVE ASSEMBLY ACT TO INQUIRE INTO THE ADEQUACY OF THE INDEMNITIES, SALARIES AND ALLOWANCES FOR MEMBERS AND OFFICERS OF THE LEGISLATIVE ASSEMBLY, THE ADEQUACY OF THE SALARIES FIXED FOR THE MEMBERS OF THE EXECUTIVE COUNCIL, AND THE ADEQUACY OF SUPPORT TO THE OPPOSITION MEMBERS OFFICE AND GOVERNMENT MEMBERS OFFICE

CHIEF JUDGE RALPH C. THOMPSON AND
MICHAEL L. O'BIREN, C.A.
COMMISSIONERS

DECEMBER 14, 1989

December 14, 1989

His Honour The Lieutenant Governor in Council
Province of Prince Edward Island

May It Please Your Honour:

We were appointed a Commission by Order-in-Council No. EC345/89 dated June 15, 1989, pursuant to subsection 49(1) of the Legislative Assembly Act R.S.P.E.I. 1974, Cap L-11 to inquire into the various matters set out in the Order. We were further requested by the said Order-in-Council to make recommendations on matters not authorized by subsection 49(1) of the said Act. The Order-in-Council setting out the precise mandate of the Commission is reproduced at the beginning of our report.

In fulfillment of the Commission assigned to us, we respectfully submit to Your Honour the report which accompanies this letter.

All of which is respectfully submitted,

Ralph C. Thompson
Commissioner

Michael L. O'Brien
Commissioner

REPORT

OF

HIS HONOUR RALPH C. THOMPSON & MICHAEL L. O'BRIEN

COMMISSIONERS APPOINTED UNDER

THE PROVISIONS OF

THE LEGISLATIVE ASSEMBLY ACT

R.S.P.E.I. 1974, CAP. L-1, SUBS. 49(1)

AND BY

ORDER-IN-COUNCIL NO. EC345/89

DATED

JUNE 15, 1989

DECEMBER 14, 1989

INTRODUCTION

By Order-in-Council No. EC345/89 dated June 15, 1989, His Honour, the Lieutenant Governor in Council appointed us a commission pursuant to the provisions of subs. 49(1) of the Legislative Assembly Act, R.S.P.E.I. 1974, Cap. L-11. We were further requested to inquire into and make recommendations on other matters set out in the Order-in-Council. That Order-in-Council states:

No. EC345/89

LEGISLATIVE ASSEMBLY ACT
COMMISSION OF INQUIRY
INTO THE
ADEQUACY OF INDEMNITIES, SALARIES AND
ALLOWANCES
CHIEF JUDGE RALPH C. THOMPSON
AND
MICHAEL O'BRIEN, C.A.

Pursuant to subsection 49(1) of the Legislative Assembly Act R.S.P.E.I. 1974, Cap. L-11, Council appointed the Chief Judge of the Provincial Court of Prince Edward Island, Ralph C. Thompson of Summerside and Michael O'Brien, C.A. of Sherwood to be a Commission to inquire into the adequacy of the annual variation of indemnities, salaries, and allowances paid to members of the Legislative Assembly, the Speaker, Deputy Speaker, and Leader of the Opposition, and to report thereon within six months to the Lieutenant Governor in Council with such recommendations as the Commission considers appropriate.

Further, Council requests the Commission to inquire into and make recommendations on the adequacy of:

(i) the remuneration fixed for the Members of the Executive Council, and

(ii) the support provided to the Office of the Leader of the Opposition and the Government Members Office, such to include the

(a) annual grants,

(b) staff complement and salary levels

(c) administrative support such as equipment, phone service, mail service and other administrative matters that the Commission may wish to address.

In arriving at what we consider to be reasonable recommendations in relation to the various matters set out in our mandate, we have had the benefit of input from the general public through written and oral submissions. We also received written and oral submissions from Members and former Members of the Legislative Assembly. We have conducted a comparative analysis of the remuneration schemes in place in other jurisdictions in Canada, and we have perused the reports of prior Commissions appointed under subs. 49(1) of the Legislative Assembly Act. We believe that the foregoing approach has given us an appreciation of the subject matter upon which we have been appointed to report.

What is apparent from the submissions and the other materials to which we have had access is that a proper assessment requires a comparative analysis of all of the benefits which accompany elected office. It would serve no useful purpose to conduct an analysis of any particular form of remuneration in isolation. Therefore the following:

a) Accommodation Allowance

Prince Edward Island M.L.A.s are the only M.L.A.s who are not eligible for an accommodation allowance, due no doubt to the relatively short distances of all constituencies to the Legislature. There have been no submissions to suggest that the present approach should be altered. We recommend that the current approach be continued.

b) Meal Allowance

The meal allowances per day in the various provinces are as follows:

	Sessional	Intersessional
PEI	$10	$25
Nfld	75 or per recipts	75 or per receipts
NS	As per receipts	50 with receipts
NB	As per receipts	As per receipts
Que	Unavailable	110 meals & accommodation
Ont	Unavailable	27 or per receipts
Man	As per receipts	As per receipts
Sask	82 - 135 meals & accommodation	23
Alta	75 meals & accommodation	75 meals & accommodation
BC	100 meals & accommodation	As per receipts

The position taken by some local M.L.A.s is that the $10 per day sessional meal allowance cannot realistically be expected to cover meal costs, particularly when the Legislature is in evening session. There was no suggestion that the $25 per day intersessional rate is inappropriate. It was suggested that a $25 per day maximum meal allowance

should be permitted for both sessional and intersessional House business. In our view, a $10 per day meal allowance is unreasonably low given the cost of restaurant dining at this time. We therefore recommend that a meal allowance of $25 per day would be appropriate for sessional as well as intersessional House business.

c) **Mileage Allowance**

The mileage allowance in the various provinces is as follows:

1.	PEI	26.4c per km
2.	Nfld	22.5c per km
3.	NS	29.1c per km
4.	NB	23.5c per km first 7,000 km then declining
5.	Que	28c per km
6.	Ont	27c per km
7.	Man	$312 per month to a maximum of $3,000 per year
8.	Sask	23.52c per km
9.	Alta	Free gasoline + 21c per km
10.	BC	26c per km

In our view, the rate of mileage allowance paid to Island M.L.A.s per kilometre travelled is reasonable. Concern was expressed by some M.L.A.s that recovery is only permitted for 3 round trips per month to Charlottetown on Members' business during the intersessional period. We believe this point should be further explored with a view to increasing the number of expense-recoverable trips to Charlottetown if a majority of members consider it appropriate.

d) Remuneration for House Committee Work

The per diem remuneration for M.L.A.s across Canada who participate as members of committees of the Legislatures while their respective Legislatures are not in session is as follows:

New Brunswick	$200
Quebec	114
Saskatchewan	109
British Columbia	100
Alberta	100
Nova Scotia	100
Manitoba	84
Prince Edward Island	75
Ontario	74
Newfoundland	50

Prince Edward Island M.L.A.s are therefore in our view within what appears to be an acceptable range of remuneration for intersessional House Committee work although they are in the lower range of the spectrum. For sessional House Committee work, most Provinces, including Prince Edward Island, do not pay remuneration. We recommend that the existing remuneration level be maintained for House Committee work.

We are of the view that it should be pointed out that consideration of the remuneration for participation as a member of an Executive Council Committee has intentionally

been omitted due to the small number of M.L.A.s involved and also due to the fact that it is outside the scope of our mandate under s. 49(1) of the Legislative Assembly Act.

e) **Salaries**

As indicated in earlier reports, the task of recommending an appropriate salary for M.L.A.s is extremely difficult. There cannot be a range of salaries for which an M.L.A. may be eligible on the basis of experience, education, profession or training in the private sector, capability and dedication as a Member, size of riding represented, complexity of issues facing a particular riding, demands of constituents, or any other relevant criteria. There is but one qualification; and obviously, that is that the individual be elected to the Legislature.

It would appear in this one salary level arrangement for all M.L.A.s that inequities will occur at both ends of the spectrum. There will always be M.L.A.s who are overpaid on the basis of their performance and capabilities, and there will conversely always be M.L.A.s who are underpaid. We are not of the view, however, that an alternative to the present approach of paying the same salaries to all M.L.A.s would be workable. The good M.L.A. is hopefully re-elected by his constituents. The poor one, hopefully, is not.

What we will therefore attempt to do is arrive at a recommendation which is equitable, taking into account the qualifications which all M.L.A.s must have and taking into account the desirability of attracting candidates for elec-

tion who can provide the leadership which is expected of our elected representatives. It matters not what walk of life an M.L.A. may come from. If that person is successful in a particular field, whether it be business, the professions, the primary industries, the trades or any other occupation, in all likelihood election as an M.L.A. requires sacrifice either in terms of income or in terms of other more intangible matters, such as domestic life. It has been stated often that one should seek elected office out of a desire to serve one's community, and that is true. But a level of remuneration which discourages individuals from serving who have much to offer is in no one's best interest.

The then Chief Justice Nicholson in his report of 1980 at p. 20 stated:

> In this province, a member of the Assembly is called upon to act as a sort of ombudsman for his constituents. Particular concerns of individual constituents occupy much of a Member's time. In recent years with the growth of laws and regulations at all levels of government, this function is expected as a matter of right by the citizens.

Chief Justice Nicholson's comments are even more accurate today than they were in 1980. Notwithstanding that we received at least one submission which perceived the M.L.A.'s role as unchanging, we are of the view that the ever-expanding body of statutory law and the increasing complexity of issues which they must confront have resulted in the M.L.A.'s functions both inside and outside the Legislature becoming more demanding.

It has been submitted that any increase to M.L.A.s should be based on the consumer price index, if an increase is to be permitted at all. This approach presupposes that the base figure upon which the calculations are made is equitable. It has been submitted also that in some provinces the cost of operating a second residence which is not required in a province the size of Prince Edward Island is justification for disparity between salary levels in this province and those in larger provinces. In fact, however, all the other provinces provide separate compensation for accommodation necessitated by attendance at sessions of the Legislature, so that this is really a non-issue where salaries are concerned.

The combined salaries and non-taxable expense allowances (hereinafter called "salary") for M.L.A.s in the various provinces are as follows:

1.	Prince Edward Island	$28,500
2.	Newfoundland	52,500
3.	Nova Scotia	45,195
4.	New Brunswick	47,697
5.	Quebec	64,637
6.	Ontario	54,903
7.	Manitoba	40,173
8.	Saskatchewan	44,350
9.	Alberta	57,505
10.	British Columbia	46,873

The salary of an M.L.A. in Prince Edward Island is therefore substantially lower than the salary of an M.L.A. in any other province in Canada. If we average the salary levels in the other nine provinces, we find that the average salary is $50,426. Averaging the other Atlantic Provinces' M.L.A.s' salaries gives a figure of $48,464. This amount is $19,964 per year higher than Prince Edward Island M.L.A.s are currently receiving.

Having reviewed all of the constituent elements of M.L.A.s' remuneration including salary, accommodation allowance, meal allowance, and mileage allowance, we have come to the conclusion that the only area where there is a substantial disparity between the amounts received by Island M.L.A.s and their counterparts throughout the country is in the area of salaries.

We have received wide-ranging submissions in relation to appropriate M.L.A.s'salaries. It has been suggested that Prince Edward Island M.L.A.s perform functions comparable to those of a civic official in a moderate-sized municipality. It has also been suggested that the Government of this Province manages an operation similar to that of a large corporation, having an annual budget of 675 million dollars and that members should be reimbursed similarly to senior management of such a corporation. There have been submissions that M.L.A.s in Prince Edward Island are part-time servants of the province and as such are overpaid. There

have been submissions that an M.L.A.'s work is never done, requiring attendance at functions and meetings with constituents at all hours of the day including on weekends.

There is no disputing the fact that the Legislative session in Prince Edward Island is relatively short. It is also indisputable that all constituencies in Prince Edward Island are in relatively close proximity to the Legislature, and to everything else in the province for that matter.

The effect of our size as a province and the generally held belief in this province that anyone can approach an M.L.A., a Cabinet Minister, or even the Premier to discuss a matter of concern to that person makes us the envy of many larger jurisdsictions. It also places a burden on our elected representatives which is quite distinct. It is not a burden about which any M.L.A.s have complained, but it has been submitted that the time required for such close contact with constituents is substantial and offsets the lesser time required to perform other M.L.A. functions. The underlying tone of submissions by M.L.A.s was that they did not fully comprehend the demands which would be placed on their time until after they were elected, and that while they enjoy their work as M.L.A.s, it essentially requires the attention that any full-time job would receive.

Having considered all of the foregoing, if all other considerations were equal, we would be of the view that the combined salary and non-taxable expense allowance for Island M.L.A.'s should equal the average in the other Atlantic Provinces of the combined totals in the above categories.

There is, however, one further factor to be considered, and that is the average salary for Prince Edward Islanders as compared to their counterparts in the other Atlantic Provinces. According to the Revenue Canada Taxation Statistics, 1989 edition, the average salary in the other Atlantic Provinces for 1987 was $18,735. The average salary in Prince Edward Island in 1987 was $15,916. Similar averages were calculated for other years which suggest that the average salary in Prince Edward Island runs at approximately 82.3 percent of the Atlantic Provinces' average. We are of the view that the level of salary and non-taxable expense allowance for M.L.A.s should be calculated by averaging the combined figures in the other Atlantic Provinces and reducing the amount arrived at according to the percentage by which the average salary of Prince Edward Islanders is less than the average salary for the other Atlantic Provinces. We are further of the view that any increase should be on taxable rather than non-taxable income since there was no suggestion that the non-taxable expense allowance was in any way inadequate.

We therefore recommend that the salaries paid to M.L.A.s in this province be increased to $30,586 per year. That amount, when combined with the non-taxable expense allowance of $9,300 gives a total combined figure of $39,886, which amount would equal the average combined total for other Atlantic Provinces M.L.A.s, less the amount by which this province's average salary falls short of the average salary received in the other Atlantic Provinces.

We make the foregoing recommendation knowing that it will have its detractors. We believe, however, that such a rate of remuneration is warranted by the demands on today's Legislators in this province. We believe also that such a rate of remuneration may prompt more middle income Islanders, who have much to offer but who could not afford the financial sacrifice which the current level of remuneration demands in some situations, to seek elected office.

Salary of the Speaker and Deputy Speaker

The duties of the Speaker of the Legislature are many and varied. While the House is in session, he/she is required to preside over the Legislative Assembly, preserve order and decorum, enforce the Rules of the House, and decide questions of order. His/her other duties may include hosting visiting dignitaries, acting as regional representative on the Commonwealth Parliamentary Association Executive Committee, acting as President of the Prince Edward Island Branch of the Commonwealth Parliamentary Association, hosting Commonwealth Parliamentary Association conferences and seminars, representing Prince Edward Island at Commonwealth Parliamentary Association functions nationally and internationally, chairing the Internal Economy Committee, chairing the Internal Audit Committee, acting as liason with the Legislatures of other provinces, hosting official functions at Province House including Royal Visits, being available to consult with all M.L.A.s, directing the office of the Speaker, being responsible for accommodations for government

and opposition offices, being responsible for operation of meeting rooms in the Coles Building, being responsible for offices and staff of the Legislative Assembly, hosting various youth groups and explaining to them the operation of the Legislature. The Deputy speaker is required to act in the absence of the Speaker.

As can be seen, the concept of the Speaker's only function being to preside over sessions of the Legislature is far from accurate. The role of Speaker is additional to the Speaker's role as M.L.A. and varies in degree of difficulty from province to province.

The salaries together with expenses paid to Speakers and Deputy Speakers in the provinces of Canada are as follows:

		Speaker	Deputy Speaker
1.	PEI	$10,000	$ 5,000
2.	Nfld	39,815	12,265
3.	NS	37,055	18,533
4.	NB	21,042	15,521
5.	Que	41,294	19,270
6.	Ont	22,214 + apartment	9,297
7.	Man	15,500	4,000
8.	Sask	20,920	7,845
9.	Alta	47,051	20,240
10.	BC	39,000	19,500

As can be seen, the Speaker of the Prince Edward Island Legislature receives less than one-half of the salary paid in all jurisdictions except Manitoba and receives approximately one-quarter of the salary paid in 5 other juris-

dictions. This disparity undoubtedly increased when no increase in pay to the Speaker or Deputy Speaker resulted from the 1986 Commission's recommendations. We are of the view that the Speaker should receive an increase in salary of $5,000 per year in order that he may be adequately compensated for his additional functions beyond that of an M.L.A. and so that he may, to some extent at least, keep pace with his counterparts in other jurisdictions.

It should be noted that the Deputy Speaker in many jurisdictions receives approximately one-half of the salary paid to the Speaker. In this province, he/she receives precisely one-half. We believe that this ratio should be maintained and recommend a salary increase to the Deputy Speaker of $2,500 per year as fair compensation for his/her functions.

Leader of the Opposition

The current salary level of the Leader of the Opposition is $35,300 for his/her duties as Leader of the Opposition. It is the practice in at least 8 other Canadian Provinces that the Leader of the Opposition receives the same salary as a Cabinet Minister. That is also the practice in this Province, and there have been no submissions to suggest that some other approach should be taken. We consider the increase recommended for M.L.A.s to be adequate for the Leader of the Opposition and therefore recommend

that there be no increase in salary for the Leader of the Opposition beyond any increase which he/she may receive in his/her capacity as an M.L.A.

MATTERS OTHER THAN AS PROVIDED FOR IN S. 49(1) OF THE LEGISLATIVE ASSEMBLY ACT

Remuneration for Members of the Executive Council

Although s. 49(1) of the Legislative Assembly Act makes no provision for inquiry into the remuneration paid to the Premier and other members of the Executive Council, we did agree to give the matter consideration. As in other areas which we have considered, we have reviewed the salary levels throughout Canada and have found the following salary levels to be in force:

		Premier	Cabinet Minister
1.	PEI	$46,000	$35,300
2.	Nfld	50,778	36,815
3.	NS	52,012	37,055
4.	NB	46,571	31,042
5.	Que	Unavailable	Unavailable
6.	Ont	42,782	30,094
7.	Man	26,600	20,600
8.	Sask	52,300	36,610
9.	Alta	59,858	47,051
10.	BC	45,000	39,000

As can be seen from the above figures, the additional remuneration paid to the Premier and other Members of Executive Council for their additional responsibilities in their various positions is consistent with that paid to their counterparts in other jurisdictions with a couple of exceptions.

We have not received any submissions which suggest that the current levels of remuneration are inappropriate compensation for the duties which these individuals perform additional to their roles as M.L.A.s, nor have we so concluded from other information considered.

We therefore recommend that there be no increase in salary for the Premier or other Members of Executive Council beyond any increase which each may receive in his or her capacity as an M.L.A.

Support to the Office of Leader of the Opposition and Government Members Office

There were no submissions which indicated that there is any difficulty with the grants, staff levels and salaries, and administrative equipment and services currently being provided to the Government Members' office.

The situations in other jurisdictions vary widely from $1,694 per Member per year in Manitoba for annual grants to $115,118 per Member per year in Ontario in annual grants, according to the information provided to us. Some provinces provide grants in fixed amounts to Government Members offices on an annual basis. Based on the existing number of Government Members and the current annual grant of $56,700, we would consider the amount provided in this province to be reasonable. We recommend that the annual grant and the current level of staff, equipment and services be maintained for the Government Members' office.

We received a detailed submission from the Opposition Members regarding their needs from the standpoint of staff, equipment and services.

At the root of the Opposition Office's difficulty is the fact that there exists an enormous imbalance in the number of elected representatives on each side of the House. The present Government occupies 30 seats while the Opposition occupies only 2.

While it might be assumed at first glance that by far the greater demand for support staff and services would be in the Government Members' office, given the large number of Government Members involved, we are assured by the Opposition Members that such is not the case.

When membership in the House is more evenly balanced, the Opposition generally designates individual members to act as critics of individual portfolios. The Opposition forms what is commonly referred to as a "Shadow Cabinet," and the workload is distributed amongst the various Opposition Members. The functions involved include, amongst other things, the scrutiny of and informed debate upon proposed legislation, budgetary matters and the operation of Government business, participation on Committees of the House, participation in various conferences and meetings at which major policy issues are addressed, and meetings with special interest groups.

We are advised that the relative shortness of the Legislative term in Prince Edward Island rather than simplifying matters actually complicates them. Legislation

may be introduced, debated and passed in a very short time, requiring that input from the Opposition must be intensive if it is to be effective.

There is also the matter of the 40 minute daily Question Period which the Opposition must prepare for while the House is in session. With only two Opposition Members, the burden on each of them has obviously been multiplied several fold. That burden extends to the research and preparation required outside the House and the follow-up required on the answers received.

During the last session of the House, the Opposition was expected to analyze a budget whose current account alone was in excess of $636,000,000. Other issues to be faced such as environmental concerns, pay equity, AIDS policy, abortion, the global economy, Senate reform, the Goods and Services Tax, the Meech Lake Accord, Free Trade and the GATT are complex matters which are essentially additional to the day-to-day affairs of the Province. We are advised that two elected representatives and one full-time researcher simply cannot adequately deal with the workload present in the Opposition Office. We accept the submission made to us that the Opposition Office with its present complement of Members and staff is at a severe disadvantage when compared to the resources available to the Government side of the House through Government Offices and staff. We are aware of the argument which might be made that the Opposition has access to at least some of the same resources as the Government,

but historically the Opposition has been at a disadvantage; and in our view, that situation has been exacerbated by the current lopsided Government majority.

There has been a submission that the Opposition Office should receive one additional full-time researcher, together with an increase in the annual grant from $77,500 to $100,000. It has been submitted that such an increase in the annual grant would permit payment for professional advisors and the attendance at conferences and other functions by Opposition Members or staff at which matters of importance to Islanders are discussed. It was suggested that a full-time researcher could be acquired for in the range of $30,000 - $40,000 per year. The effect of acceding to both of the above requests would therefore result in increased costs of from $52,500 to $62,500 per year.

While we do not consider either of the above recommendations to be without merit, in our view it would be preferable to permit the acquisition of a full-time researcher forthwith and hold in abeyance the matter of an increase in the annual grant for at least one year. Such an approach would enable an assessment to be done on the impact of the additional researcher on the overall operation of the Opposition Office. If the effect of the change is that there remains a need for outside services and other items which cause a shortage of funds, then consideration should be given to increasing the annual grant in one year's time.

We make the foregoing recommendations believing them to be in the best interest of the residents of this Province. While the increased cost of operation of the Opposition Office may be seen by some as an expenditure which should be avoided, we take a contrary position. It goes without saying that in a democratic system good government requires that there be an effective Opposition. An Opposition Office which lacks the resources with which to carry out the various functions discussed above is not in this Province's best interest.

Long Term Disability Insurance

We received one submission which brought to our attention the fact that M.L.A.s and Cabinet Ministers in this Province are not protected by Long Term Disability Insurance. Such insurance is apparently available to M.L.A.s in other Provinces. It has been submitted as well that some Members, upon becoming Members, have forfeited insurance protection which they previously had through their employers. We recommend that consideration be given to establishing a group plan of Long Term Disability Insurance which would be funded by deductions and which would thereby protect M.L.A.s at no cost to the Province.

Pensions

We received a submission from the Association of Former Members of the Prine Edward Island Legislative Assembly on what the Association perceived to be inequities in the

present pension structure as it affects some former M.L.A.s. Pensions of M.L.A.'s are governed by the Legislative Assembly Retirement Allowances Act and are not therefore, strictly speaking, within our mandate to consider.

We do consider it appropriate to comment, however, that according to the information provided by the Association, some former M.L.A.s are in an inferior position in relation to pension rights, and in fact, one former M.L.A. is not eligible for any pension at all although he meets the current eligibility requirements. An amendment to the Legislative Assembly Retirement Allowances Act in 1988 permitted an increase in contributions by M.L.A.s from 6 1/2% to 8 1/2% of their annual salary with a commensurate increase in benefits to be received upon pension eligibility. That amendment, which was added to the act as sub-section 6(2.1), reads as follows:

> (2.1) For purposes of sub-section (2), for any person who was a member on April 1, 1988, contributions as a member for any year prior to April 1, 1988, and after April 1, 1979, means actual contributions as a member paid during such a year adjusted by the ratio of the rate of the member's contributions under sub-section 4(1) for the year commencing April 1, 1988, and to the corresponding rate under sub-section 4(1) for the year commencing April 1, 1987.

It can be seen that the foregoing amendment permitted an adjustment to the pensions of M.L.A.s who were members on April 1, 1988, and that the adjustment is applicable to any service as a member beyond April 1, 1979. The Association submits that the restrictions on the adjustment, which it characterizes as a "buy back", to service later than April

1, 1979, is inequitable to those who served as M.L.A.s either totally prior to that date or whose service spanned that date. The recommendations of the Association are as follows:

1. That all of the provisions of the amendment of 1988 be available to all those receiving a pension on April 1, 1988, or who were on that date in receipt of a deferred pension.

2. That the date of April 1, 1979, be removed from the "buy back" provisions of the amendment of 1988.

3. That all former members who meet the present eligibility requirements be allowed, if they so choose, to contribute at the present rate for all past years of service.

4. That the association be represented on any body reviewing the Legislative Assembly Retirement Allowances Act and that it be consulted before amendments are introduced to the Legislative Assembly.

Although the association describes the adjustment as a "buy back" arrangement, it appears to us that what is actually involved is a straight adjustment or indexing. We consider the foregoing proposals of the Association to merit an in-depth study provided that a true "buy back" arrangement, as that term is understood in accounting and business practice, is being studied, and provided that the cost of such an approach is not prohibitive to the Province. It goes without saying that the Association, having a vested interest in the outcome, should be permitted to participate in any review process involving the Legislative Assembly Retirement Allowances Act.

Summary of Recommendations

The following is a summary of our recommendations:

1. That the current practice of not having an accommodation allowance for MLAs be continued.

2. That the meal allowance of $25 per day presently permitted for the intersessional period also be applied during sessions of the Legislature.

RESOLUTION OF THE HOUSE (2.)

3. That the current mileage allowance rate be maintained.

4. That consideration be given to the adequacy of allowing expense recovery on only 3 trips to Charlottetown per month on business of a Member during the intersessional period.

RESOLUTION OF THE HOUSE (2.)

5. That the existing remuneration level for House Committee work be maintained.

6. That the salary portion of the combined salary and non-taxable expense allowance be increased to $30,586 so that the combined total of the two equals the average of the combined salaries and non-taxable expense allowances paid to MLAs in the other Atlantic Provinces less the percentage by which the average salary of Prince Edward Islanders is less than the average salaries in place in the other Atlantic Provinces.

AMENDMENT TO THE LA ACT

7. That the salary of the Speaker be increased by $5,000 per year in addition to any increase which he/she may receive as an MLA.

AMENDMENT TO LA ACT –

8. That the salary of the Deputy Speaker be increased by $2,500 per year in addition to any increase which he/she may receive as an MLA.

AMENDMENT TO LA ACT –

9. That the current salary level be maintained for the Leader of the Opposition except for any increase which he/she may receive as an MLA.

10. That the current salary levels of the Premier and other members of the Executive Council be maintained except for any increase which each may receive as an MLA.

11. That the current levels of staffing and funding be maintained for the Government office.

12. That the Opposition Office be permitted to avail itself immediately of the services of one additional full-time researcher.

13. That there be a further review of the adequacy of the Opposition Office annual grant in one year's time.

LA BUDGET CONSIDERATION 91-92

14. That consideration be given to a Member-funded Long Term Disability Insurance plan for the protection of MLAs at no cost to the Province.

15. That an in-depth study be conducted into the fairness of the existing provisions of the Legislative Assembly Retirement Allowances Act.

REFER TO FIN —

In Conclusion

We wish to express our sincere thanks to all who assisted us during this Inquiry, including the general public. We received submissions by mail as well as in person from some who identified themselves and from some who wished to remain anonymous. Concern was expressed by some that they considered that their relationship with government might be compromised if they spoke openly about the matters within the terms of reference of the Inquiry. While we consider it important that Commissions should know who is appearing before them, we consider it more important that individuals making submissions to future Commissions should feel that they can do so without in any way jeopardizing their own positions.

We are of the view that consideration should be given to taking a more informal approach in relation to future Commissions and that public assurances should be given prior to the receipt of oral or written submissions that the anonymity of the presenter will be protected if it is so wished. While such an approach could result in a diminished

sense of responsibility on the part of some presenters, we are of the view that the resulting disadvantage should be far outweighed by an increase in public input.

All of which is respectfully submitted this 14th day of December, 1989.

Ralph C. Thompson
Commissioner

Michael L. O'Brien
Commissioner

To: His Honour the Lieutenant Governor in Council
Province of Prince Edward Island